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C O N F I D E N T I A L KATHMANDU 003062

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TAGS: [PGOV](#) [PTER](#) [MARR](#) [PREF](#) [UN](#) [UK](#) [NP](#)  
SUBJECT: UN REP. AND BRITISH AMBASSADOR DEALING WITH  
NEPAL'S MAOISTS AND PEACE PROCESS

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d)

Summary  
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11. (C) On November 15, the UN Secretary General's personal representative Ian Martin and UK Ambassador Andrew Hall gave their views on the Maoists, the peace process and challenges for Nepal to Assistant Secretary Boucher and the Ambassador. Martin was not willing to wager on the Maoist intentions but described the UN role as one of setting up structures to monitor their behavior and test their willingness to comply. Maoist Supremo Prachanda was well-suited, he thought, for the media age. Martin stated the passage of a UN Security Council resolution on arms management/monitoring would be essential. Assistant Secretary Boucher and Ambassador Hall discussed the different planned approaches to the Maoists once they entered an interim government. Bhutanese refugees were also addressed. End Summary.

What About Maoist Intentions?  
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12. (C) Assistant Secretary for South and Central Asian Affairs Richard Boucher met the UN Secretary General's Personal Representative to the Peace Process, Ian Martin, and UK Ambassador Andrew Hall on November 15 to discuss the challenges for Nepal as the Maoists prepared, in theory, to move into democratic politics. Martin, who has met frequently with the Communist Party of Nepal (Maoist) leadership since his appointment in October, said he honestly did not know what Maoist intentions were. He described his UN Mission's role as setting up mechanisms to monitor Maoist behavior as their combatants moved into cantonments and locked up their weapons. The UN planned to test their willingness to comply. Ambassador Hall described how the Communist Party of Nepal - United Marxist Leninist had gone through its own democratic transformation into something approaching a social democratic party starting with an end to armed action in the late 1970s. That party, he conceded, had never been as violent as the Maoists. Or, as the Ambassador pointed out, as close to gaining total power.

Who Is Prachanda?  
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13. (C) Martin said Maoist Supremo Prachanda was an avuncular former schoolteacher, very different from his deputy Baburam Bhattarai. Prachanda spoke good English (although it was not as good as Baburam's) and was good on TV. He was well-suited for the media age. Ambassador Hall pointed out that, unlike Baburam, Prachanda had never participated in parliamentary politics. (Note: Prachanda has said publicly in recent days that he and Baburam will not participate in an interim government.) The Ambassador explained that Prachanda and Baburam had done a role reversal in 2005. In late 2004, Baburam had openly criticized the Maoist party Chairman for a failing policy of an armed struggle instead of a negotiated path to power. Prachanda had taken advantage shortly after the King's seizure of power in February 2005 to lock Baburam up and make himself the "good cop" with Baburam henceforth the firebreathing "bad cop." Martin noted that you never saw one without the other.

#### Still Wedded To Old Ideas

14. (C) Ambassador Hall, who did field research in Nepal in the late 1970s and was in Kathmandu as the British Deputy Chief of Mission in the early 1990s, and Martin, who served from 2005 to 2006 as the head of the Nepal Office of the High Commissioner for Human Rights, agreed that the Maoists claimed to be seeking an end to social exclusion. In other words, they wanted to see an end to the country's domination by upper-caste Hindu Brahmins and Chhettris. The leading Maoists, however, were also upper-caste Hindus. "Feudalism" was another one of the Maoists' rallying cries, Ambassador Hall remarked. In reality, however, modernism had largely wiped out feudalism in Nepal. As long, however, as there was a King and his relatives, the Ranas, in place running much of

the business community, the Maoists would continue to rail. The problem was the Maoists did not have any ideas on whom to replace the Ranas with. They would face similar challenges, he noted, in filling the 73-plus seats they were promised in the interim parliament under the November 8 peace agreement.

#### Deadline for Formation of Interim Government Can't Be Met

15. (C) Martin spoke of the many challenges still to be overcome before the Maoists could enter an interim government. He said it was obvious that the November 8 peace agreement's deadline of December 1 would not be met. Although joint Government-Maoist-UN teams had now visited all seven divisional sites, there were two that had not yet been agreed upon. And there were still differences about the locations of the 21 satellite sites. The Maoists were proposing that some of these be two hours away from the divisional sites. This, the Ambassador stressed, was in violation of the plain wording of the November 8 agreement which said those sites should be nearby. According to the UN rep., the infrastructure for the camps, in many cases, did not exist. Wells would have to be dug. Electric lines laid. This would, he emphasized, be the responsibility of the two sides, not the UN. The Maoists, Martin noted, had nowhere near the 35,000 People's Liberation Army troops they claimed, but those they did have would have to be registered, fed and entertained.

#### Foreign Assistance Available?

16. (C) Ambassador Hall indicated that EU Ambassadors had discussed what they could do with the visiting EU troika earlier in the day. There were a number of expressions of willingness to contribute, with election monitoring, for example, but no firm offers. The EU had, Martin remarked, a Rapid Action Mechanism that had been put to good use in Aceh, Indonesia, but he said he was not aware of the terms of reference for that mechanism. Hall also did not know how it worked. The UN rep. said that one solution was for the Maoist combatants to do much of the camp construction work

themselves; this would keep them occupied. The Ambassador replied that Finance Minister Mahat had made the same point at a donor's meeting the day before.

#### UN Security Council Action Needed

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17. (C) Martin stated that the UN Secretariat had looked into the issue and determined that a mission with the functions and size of Nepal's would require UN Security Council action.

An exchange of letters between the Secretary General and the Security Council, he said, would not suffice, although that could start the ball rolling. A UN Security Council resolution would provide the UN mission with the ability to tap resources and personnel to staff an arms management and monitoring mission. A subsequent Security Council resolution could handle the other aspects of the UN Mission such as election monitoring. It would have been helpful to have had more time for the parties to work out the details of the arms management regime first, with more UN input, but that was not absolutely necessary. The UN, he said, had already approached 17 countries (none in South Asia) seeking arms monitors.

#### Status of Peace Talks

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18. (C) The UN rep. stated that he anticipated getting a call at any time from the parties, perhaps in the middle of the night to come to the hotel where the negotiators were holed up trying to agree on the comprehensive peace agreement by the November 16 deadline. He said that Prachanda was scheduled to leave for the Hindustan Times leadership conference in New Delhi in the afternoon which added to the pressure to reach a deal. Prime Minister GP Koirala's nephew Shekhar Koirala called during the meeting to tell Emboff that the negotiators had made good progress and still hoped to reach agreement in time, but that talks would have to resume

on the morning of the 16th.

#### Dealing With the Maoists

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19. (C) Assistant Secretary Boucher explained that when/if the Maoists did come into an interim government that the United States had already made a policy decision to allow necessary contacts with their ministers. If you had a health issue which required speaking to the Health Minister, the Embassy would be authorized to speak with him or her. What the United States did not want, however, was to see Maoist ministers using U.S. assistance to build up their party's standing. Generally speaking, however, the United States, Boucher stated, would want to see something like six months of a change in behavior, an end to Maoist violence and extortion (which we had yet to see) before it would consider having normal relations with the Maoist party. In contrast, Ambassador Hall said that the UK intended very soon to begin having normal relations with the Maoists. The United Kingdom's view was that it was important to draw the Maoists in, to give them a chance to prove themselves responsible once they were in government. A Maoist minister might do a better job than a Nepali Congress minister. In six months, if they proved to be a diehard revolutionary party, Ambassador Hall added, the UK would reconsider. He conceded, however, that Maoist abuses had gotten worse in recent months, not better.

#### The Terai and the Madhesis

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10. (C) Ambassador Moriarty stated in a response to a question from the Assistant Secretary that another problem Nepal faced was having too many people on land that could not support them. It had been obvious on a recent flight he had taken from Nepal's border region with India, the Terai, inland to the hills. In the Terai one could see lots of

flatland, suitable for farming, covered in forests, not being actively utilized. In the hills, the Ambassador said, where there was not enough land, farmers had cut terraced fields. The Terai was a complicated mix. On the one hand, a successful USAID-funded anti-malarial campaign had had the unintentional consequence of displacing and impoverishing some of the original malaria-resistant inhabitants of the Terai. Upper-caste Hindus from the hills had taken their land. On the other hand, the Ambassador and Ambassador Hall emphasized, there was a large population of so-called Madhesis, many of them immigrants from India who had been agitating for citizenship. The Government of Nepal and the Maoists had agreed in the November 8 peace deal to grant citizenship to those born in 1990 or afterwards, which was generous.

#### Bhutanese Refugees

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11.(C) Assistant Secretary Boucher, who flew from Thimphu to Kathmandu November 15, spoke positively about the democratic changes that the King of Bhutan was in the process of implementing. He said that they had also discussed the question of the Bhutanese refugees and their desire for repatriation. The Assistant Secretary said that he agreed the Bhutanese had reasonable fears of becoming a minority in their own country and would not be able to take all the refugees back, but they could certainly establish a principle by taking back some. The King had indicated that they had another 100,000 ethnic Nepalis or so whom they described as some sort of temporary workers, but he had assured Boucher there would be no more expulsions. Ian Martin stated that he had visited Bhutan in 1992 when he was serving as the Secretary General of Amnesty International. He had conducted

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interviews at that time and it was apparent that most of the people who had ended up in the refugee camps in Nepal had come from Bhutan.

#### Comment

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112. (C) The Government of Nepal and the Maoists have

postponed their deadline of a comprehensive peace deal from November 16 to November 21. Meanwhile, their other dates, notably the establishment of an interim government with Maoist participation, no longer seem feasible. That is the case, at least, as long as Prime Minister Koirala sticks to his bottom line that Maoist combatants must be in camps with their weapons locked up first. With the UK, which is one of the relatively hawkish members of the EU openly stating that it plans to deal with the Maoists on a normal basis very soon, the gap between U.S. and UK policy toward the Maoists looks likely to widen, not narrow. Nevertheless, post will continue to engage with the UK and the rest of the EU, as well as the UN, to maximize what influence the U.S. has to bring about a peace process that holds the Maoists to account and creates the possibility of free and fair Constituent Assembly elections in 2007.

113. (U) Assistant Secretary Boucher has cleared this message.  
MORIARTY